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Attorneys for Debtors  
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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
Debtors.	: (Jointly Administered)
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**CERTIFICATE OF NO OBJECTION  
UNDER 28 U.S.C. § 1746 REGARDING DEBTORS'  
MOTIONS SCHEDULED FOR HEARING ON OCTOBER 19, 2011**

TO THE HONORABLE JAMES M. PECK  
UNITED STATES BANKRUPTCY JUDGE:

Pursuant to 28 U.S.C. § 1746, and in accordance with this Court's case management procedures set forth in the Amended Order Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rules 1015(c) and 9007 Implementing Certain Notice and Case Management Procedures [ECF No. 9635] (the "Second Amended Case Management Order"), the undersigned hereby certifies as follows:

1. Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors"), filed the following motions (collectively, the "Motions") with the Court for hearing on October 19, 2011:

- Motion of Lehman Commercial Paper Inc. Pursuant to Sections 105(a) and 363 of the Bankruptcy Code and Rule 9019 of the Federal Rules of Bankruptcy Procedure for Authorization to Restructure its Interests in Italian Real Estate Fund **[ECF No. 20311]**
- Debtors' Motion Pursuant to Section 362 of the Bankruptcy Code for an Order Modifying the Automatic Stay to Allow Advancement of Defense Expenses Under the 2007-2008 Directors and Officers Insurance Policies by the Excess Policy Insurers **[ECF No. 20323]**
- Debtors' Motion Pursuant to Section 363 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 9019 for Authority to Enter into Settlement with Bond Safeguard Insurance Company and Lexon Insurance Company **[ECF No. 20355]** (the “Bond/Lexon Motion”)
- Debtors' Motion Pursuant to Section 363 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 9019 for Authority to Enter into Settlement with Arch Insurance Company **[ECF No. 20369]**
- Debtors' Motion Pursuant to Sections 105(a) and 363(b)(1) of the Bankruptcy Code for Authorization to Implement 2012 Derivatives Incentive Program and Certain Related Relief **[ECF No. 20370]**

2. In accordance with the Second Amended Case Management Order, October 12, 2011 at 4:00 p.m. (Prevailing Eastern Time) was established as the deadline (the “Objection Deadline”) for parties to object or file responses to the Motions. The Second Amended Case Management Order provides that pleadings may be granted without a hearing, provided that no objections have been filed prior to the relevant Objection Deadline and the attorney for the entity who filed the pleading complies with the relevant procedural and notice requirements.

3. The Objection Deadlines have now passed and, to the best of my knowledge, no objections or other responsive pleadings to the Motions (other than statements in support of the relief requested by certain Motions filed by the Official Committee of Unsecured Creditors) have been filed with the Court on the docket of the above-referenced cases in accordance with the procedures set forth in the Second Amended Case Management Order, nor

has any objection or other responsive pleading with respect to the Motions been served on Debtors' counsel.

4. Accordingly, the Debtors respectfully request that the proposed orders granting the Motions annexed hereto as Exhibits A through E be entered in accordance with the procedures described in the Second Amended Case Management Order. A revised form of Order granting the Bond/Lexon Motion was filed with the Court on October 14, 2011 [**Docket No. 20854**], and has not been modified since such filing. The proposed orders granting the remaining Motions have not been modified since the filing of the Motions.

I declare that the foregoing is true and correct.

Dated: October 17, 2011  
New York, New York

/s/ Richard P. Krasnow  
Richard P. Krasnow

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Attorneys for Debtors  
and Debtors in Possession

**EXHIBIT A**

**(Proposed Order – ECF No. 20311)**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
<b>In re</b>	:
	:
<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	:
	:
<b>Debtors.</b>	:
	:
-----X	

**Chapter 11 Case No.**  
**08-13555 (JMP)**  
**(Jointly Administered)**

**ORDER PURSUANT TO  
SECTIONS 105(a) AND 363 OF THE BANKRUPTCY CODE  
AND RULE 9019 OF THE FEDERAL RULES OF BANKRUPTCY  
PROCEDURE AUTHORIZING LEHMAN COMMERCIAL PAPER INC.  
TO RESTRUCTURE ITS INTERESTS IN ITALIAN REAL ESTATE FUND**

Upon the motion, dated September 27, 2011 (the “Motion”), of Lehman Commercial Paper Inc. (“LCPI”), as debtor and debtor-in-possession, pursuant to sections 105 and 363 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for authorization to restructure its interests in the Calvino Credit Facility,<sup>1</sup> all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the procedures set forth in the second amended order entered June 17, 2010 governing case management and administrative procedures [ECF No. 9635] to (i) the

<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion

United States Trustee for Region 2; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; (vi) the attorneys for Zwinger; (vii) the attorneys for BPM; (viii) the attorneys for LBIE; and (ix) all parties who have requested notice in these chapter 11 cases, and it appearing that no other or further notice need be provided; and upon consideration of the Fitts Declaration; and a hearing (the "Hearing") having been held to consider the relief requested in the Motion; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their respective estates and creditors, and all other parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the relief requested in the Motion is granted; and it is further

ORDERED that, pursuant to sections 105(a) and 363 of the Bankruptcy Code and Bankruptcy Rule 9019, LCPI (a) is duly authorized and empowered to effectuate the Restructuring on the terms set forth in the Term Sheet; (b) is duly authorized and empowered to execute, deliver, implement, and fully perform any and all obligations, instruments, documents and papers, that may be necessary or appropriate to consummate or implement the transactions contemplated by the Term Sheet; and (c) shall have the right both in connection with and following consummation of the Restructuring to consent to any amendment, restatement, waiver, supplement or other modification of any of the transactions described therein substantially in accordance with the description set forth in the Motion. Any actions described in clauses (a), (b) and (c) taken by LCPI or its affiliates may be taken without the necessity (x) of further court

proceedings or approval or (y) of any consent of any other party, and shall be conclusive and binding in all respects on all parties in interest in these cases; and it is further

ORDERED that LCPI is authorized to amend, modify, or supplement any of the terms of the Term Sheet, without the necessity of further Court proceedings or approval and without the consent of any other party, except to the extent that such changes have a material adverse effect on LCPI's estate; and it is further

ORDERED that, pursuant to Bankruptcy Rule 6004(h), the terms of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: October \_\_, 2011  
New York, New York

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UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT B**

**(Proposed Order – ECF No. 20323)**



**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:
	:
<b>LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i>,</b>	:
	:
<b>Debtors.</b>	:
	:
-----X	

**Chapter 11 Case No.**  
**08-13555 (JMP)**  
**(Jointly Administered)**

**ORDER GRANTING DEBTORS'  
MOTION PURSUANT TO SECTION 362 OF THE  
BANKRUPTCY CODE FOR AN ORDER MODIFYING THE  
AUTOMATIC STAY TO ALLOW ADVANCEMENT OF DEFENSE  
EXPENSES UNDER THE 2007-2008 DIRECTORS AND OFFICERS  
INSURANCE POLICIES BY THE EXCESS POLICY INSURERS**

Upon the motion, dated September 27, 2011 (the “Motion”),<sup>1</sup> of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors-in-possession (collectively, the “Debtors” and, together with their non-debtor affiliates, “Lehman”), pursuant to section 362(d) of title 11 to the United States Code (the “Bankruptcy Code”) and Rule 4001(a)(3) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for an order modifying the automatic stay, to the extent applicable, to allow the Excess Policy Insurers under the 2007-2008 D&O Policies, to pay covered Defense Expenses, advance covered Defense Expenses or both, incurred by the Individual Defendants that have been named as defendants in the Legal Proceedings, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief

<sup>1</sup> Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the procedures set forth in the second amended order entered on June 17, 2010, governing case management and administrative procedures for these cases [ECF No. 9635] to (i) the United States Trustee for the Southern District of New York; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; (vi) the attorneys or representatives of each of the Excess Policy Insurers; and (vii) all parties who have requested notice in these chapter 11 cases, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted; and it is further

ORDERED that pursuant to sections 105(a) and 362(d) of the Bankruptcy Code, the automatic stay, to the extent applicable, is hereby modified to, and without further order of this Court, allow payment of covered Defense Expenses, advancement of covered Defense Expenses, or both from the Excess Policy Insurers to the Individual Defendants pursuant to the terms of their respective Policies; and it is further

ORDERED the Debtors are authorized to execute all documentation necessary to allow the Excess Policy Insurers to pay covered Defense Expenses, advance covered Defense

Expenses or both, incurred by the Individual Defendants in the Legal Proceedings; and it is further

ORDERED that nothing in this Order shall modify, alter or accelerate the rights and obligations of the Excess Policy Insurers, the Debtors or the Individual Defendants provided for under the terms, conditions and limitations of the Policies; and it is further

ORDERED that all parties to the Excess Insurance Policies reserve all rights and defenses that they would otherwise have with respect thereto; and it is further

ORDERED that nothing in this Order shall constitute a determination that the proceeds of the Excess Insurance Policies are property of the Debtors' estates, and the rights of all parties in interest to assert that the proceeds of the Excess Insurance Policies are, or are not, property of the Debtors' estates are hereby reserved; and it is further

ORDERED that the fourteen-day stay provided by Bankruptcy Rule 4001(a)(3) is waived; and it is further

ORDERED that nothing in this Order shall prevent the Court from issuing additional order(s) to allow payment of other Loss by the Excess Policy Insurers on behalf of the Individual Defendants in the Legal Proceedings subject to the terms, conditions and limitations of the Excess Insurance Policies; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: October \_\_, 2011  
New York, New York

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UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT C**

**(Proposed Order – ECF No. 20355)**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**In re** : **Chapter 11 Case No.**  
:  
**LEHMAN BROTHERS HOLDINGS INC., et al.,** : **08-13555 (JMP)**  
:  
**Debtors.** : **(Jointly Administered)**  
:  
-----X

**ORDER PURSUANT TO SECTION 363  
OF THE BANKRUPTCY CODE AND FEDERAL  
RULE OF BANKRUPTCY PROCEDURE 9019 AUTHORIZING  
THE DEBTORS TO ENTER INTO SETTLEMENT WITH BOND  
SAFEGUARD INSURANCE COMPANY AND LEXON INSURANCE COMPANY**

Upon the motion (the “Motion”),<sup>3</sup> of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, including Lehman Commercial Paper Inc. (“LCPI”), as debtors and debtors in possession (collectively, the “Debtors”), pursuant to section 363 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for an order authorizing the Debtors to enter into that certain negotiated (i) settlement agreement that relates to certain claims of Bond Safeguard Insurance Company and its affiliate Lexon Insurance Company (together, “Bond Safeguard”) against the SunCal Voluntary Debtors (the “Bond VD Settlement Agreement”) and (ii) settlement agreement that relates to certain claims of Bond Safeguard against the SunCal Involuntary Debtors (the “Bond TD Settlement Agreement” and together, with the Bond VD Settlement Agreement, the “Bond Settlement Agreements”),<sup>4</sup>

<sup>3</sup> Capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to them in the Motion.

<sup>4</sup> Copies of the Bond Settlement Agreements are attached to the *Notice of Filing of Settlement Agreements and Revised Proposed Order Relating to Debtors’ Motion Pursuant to Section 363 of the Bankruptcy Code and Federal*

memorializing the material terms, provisions and conditions set forth in the Bond Safeguard Term Sheet, and to consummate the transactions contemplated in the Bond Settlement Agreements, all as more particularly described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided the procedures set forth in the second amended order entered on June 17, 2010 governing case management and administrative procedures for these cases [ECF No. 9635], on (i) the U.S. Trustee; (ii) the attorneys for the Creditors' Committee; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; (vi) counsel to the SunCal Trustee; (vii) counsel to Bond Safeguard; and (viii) all parties who have requested notice in these chapter 11 cases, and it appearing that no other or further notice need be provided; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, it is

ORDERED that the Motion is granted as provided herein; and it is further

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*Rule of Bankruptcy Procedure 9019 for Authority to Enter Into Settlement with Bond Safeguard Insurance Company and Lexon Insurance Company, filed on October 14, 2011.*

ORDERED that, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, the Debtors are duly authorized, but not directed, to (i) enter into the Bond Settlement Agreements (ii) execute and deliver such documents, instruments, certificates and agreements and to take such other actions as may be reasonably necessary to consummate the transactions contemplated under the Bond Settlement Agreements, and (iii) consent to any amendment, restatement, waiver, supplement or other modification of any of the documents contemplated under the Bond Settlement Agreements; and it is further

ORDERED that the Debtors are authorized, but not directed, to make all payments contemplated to be made by the Debtors under the Bond Settlement Agreements, it being understood that any actions described in this paragraph taken by the Debtors or their affiliates may be taken without the necessity of (x) any further court proceedings or approval or (y) any consent of any third party, and shall be conclusive and binding in all respects on all parties in interest in these cases; and it is further

ORDERED that nothing contained herein shall be deemed to be a waiver or the relinquishment of any rights, claims, interests, obligations, benefits or remedies of LCPI, LBHI, or any other Lehman entity that is a party to the Bond Settlement Agreements or the Lehman-SunCal Plans, that such Lehman entity may have or choose to assert on behalf of itself or its respective estate, as applicable, under any provision of the Bankruptcy Code or any applicable nonbankruptcy law, including against each other or third parties, and the Debtors are hereby authorized and directed to execute such further documents to evidence such reservations; and it is further

ORDERED that nothing contained in the Bond Settlement Agreements or in the Motion shall be deemed to be a waiver or the relinquishment of any rights, claims, interests,

obligations, benefits or remedies of LBHI, LCPI or any other Lehman Creditor, that such entity may have or choose to assert on behalf of itself or its respective estate, as applicable, under any provision of the Bankruptcy Code or any applicable nonbankruptcy law, including against each other or third parties; and it is further

ORDERED that any and all pre- and post-petition claims, rights and obligations that the Debtors may have against each other in connection with the subject matter of the Motion or the transactions contemplated by the Bond Settlement Agreements upon execution are hereby fully preserved and shall not be prejudiced by the entry of this Order; and it is further

ORDERED that the allocation of costs and benefits between or among the Debtors and non-Debtor affiliates in connection with the Bond Settlement Agreements is preserved; and it is further

ORDERED that the Bond Settlement Agreements may be modified, amended or supplemented by the proponents thereof without further order of the Court, and any agreements, documents or other instruments related to the Bond Settlement Agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by such parties, and in accordance with the terms, provisions and conditions thereof, *provided* that, in each case, any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates; and it is further



ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order; *provided, however*, that nothing contained in this Order is intended to reduce the jurisdiction of or predetermine any concurrent jurisdiction otherwise vested in the Bankruptcy Court for the Central District of California in the chapter 11 cases of the SunCal Debtors.

Dated: October \_\_, 2011  
New York, New York

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UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT D**

**(Proposed Order – ECF No. 20369)**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
<b>In re</b>	:
	:
<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	:
	:
<b>Debtors.</b>	:
	:
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**Chapter 11 Case No.**  
**08-13555 (JMP)**  
**(Jointly Administered)**

**ORDER GRANTING DEBTORS' MOTION PURSUANT  
TO SECTION 363 OF THE BANKRUPTCY CODE AND  
FEDERAL RULE OF BANKRUPTCY PROCEDURE 9019 FOR AUTHORITY  
TO ENTER INTO SETTLEMENT WITH ARCH INSURANCE COMPANY**

Upon the motion (the "Motion"),<sup>5</sup> of Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, including Lehman Commercial Paper Inc. ("LCPI"), as debtors (the "Debtors"), pursuant to section 363 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") for an order authorizing LBHI and LCPI to enter into the Arch Settlement Agreements and to consummate the transactions and obligations contained therein, all as more particularly described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the procedures set forth in the second amended order entered on June 17, 2010

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<sup>5</sup> Capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to them in the Motion.

governing case management and administrative procedures for these cases, ECF No. 9635, on (i) the U.S. Trustee; (ii) the attorneys for the Creditors' Committee; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; (vi) counsel to Arch; and (vii) all parties who have requested notice in these chapter 11 cases, and it appearing that no other or further notice need be provided; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, the Debtors are duly authorized, but not directed, to (i) enter into the Arch Settlement Agreements and consummate all of the transactions contemplated thereunder, as described in the Motion and (ii) execute and deliver such documents, instruments, certificates, and agreements and to take such other actions as may be reasonably necessary to consummate the transactions contemplated under the Arch Settlement Agreements, and (iii) consent to any amendment, restatement, waiver, supplement or other modification of any of the documents; and it is further

ORDERED that the Debtors are authorized, but not directed, to make all payments contemplated to be made by the Debtors under the Arch Settlement Agreements, it being understood that any actions described in this paragraph taken by the Debtors or their affiliates may be taken without the necessity of (x) any further court proceedings or approval or (y) any consent of any third party, and shall be conclusive and binding in all respects on all parties in interest in these cases; and it is further

ORDERED that nothing contained herein shall be deemed to be a waiver or the relinquishment of any rights, claims, interests, obligations, benefits or remedies of LCPI, LBHI, or any other Lehman entity that is party to the Arch Settlement Agreements or the Lehman-SunCal Plans, that such Lehman entity may have or choose to assert on behalf of itself or its respective estate, as applicable, under any provision of the Bankruptcy Code or any applicable nonbankruptcy law, including against each other or third parties, and the Debtors are hereby authorized and directed to execute such further documents to evidence such reservations; and it is further

ORDERED that nothing contained in the Arch Settlement Agreements or in the Motion shall be deemed to be a waiver or the relinquishment of any rights, claims, interests, obligations, benefits or remedies of LBHI, LCPI or any other Lehman Creditor, that such entity may have or choose to assert on behalf of itself or its respective estate, as applicable, under any provision of the Bankruptcy Code or any applicable nonbankruptcy law, including against each other or third parties; and it is further

ORDERED that any and all pre- and post-petition claims, rights and obligations that the Debtors may have against each other in connection with the subject matter of the Motion or the transactions contemplated by the Arch Settlement Agreements are hereby fully preserved and shall not be prejudiced by the entry of this Order; and it is further

ORDERED that the allocation of costs and benefits between or among the Debtors and non-Debtor affiliates in connection with the Arch Settlement Agreements is preserved; and it is further

ORDERED that the Arch Settlement Agreements, may be modified, amended or supplemented by the proponents thereof without further order of the Court, and any agreements,

documents or other instruments related to the Arch Settlement Agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by such parties, and in accordance with the terms, provisions and conditions thereof, *provided* that, in each case, any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order; *provided, however*, that nothing contained in this Order is intended to reduce the jurisdiction of or predetermine any concurrent jurisdiction otherwise vested in the Bankruptcy Court for the Central District of California in the chapter 11 cases of the SunCal Debtors.

Dated: October \_\_, 2011  
New York, New York

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UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT E**

**(Proposed Order – ECF No. 20370)**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:
	:
<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	:
	:
<b>Debtors.</b>	:
	:
	:
-----X	

**Chapter 11 Case No.**  
**08-13555 (JMP)**  
**(Jointly Administered)**

**ORDER GRANTING DEBTORS' MOTION PURSUANT TO SECTIONS 105(a) AND  
363(b)(1) OF THE BANKRUPTCY CODE FOR AUTHORIZATION TO IMPLEMENT  
2012 DERIVATIVES INCENTIVE PROGRAM AND CERTAIN RELATED RELIEF**

Upon the motion, dated September 28, 2011 (the "Motion")<sup>6</sup>, of Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors-in-possession (collectively, the "Debtors" and, together with their non-debtor affiliates, "Lehman"), pursuant to sections 105(a) and 363 of title 11 of the United States Code (the "Bankruptcy Code") for (i) authorization to adopt, implement or otherwise take actions consistent with the Derivatives Incentive Plan as described in the Motion, including making all payments thereunder, (ii) authorization to modify certain aspects of the Retention and Recruitment Program for derivatives employees, including to modify the criteria that must be satisfied for derivatives employees to earn their 2012 Contractual Bonus, and (iii) approval of an administrative expense priority of distribution entitlements under the Derivatives Incentive Plan and the modified Retention and Recruitment Program for derivatives employees, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order

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<sup>6</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.



M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the procedures set forth in the amended order entered June 17, 2010 governing case management and administrative procedures [ECF No. 9635] to (i) the United States Trustee for the Southern District of New York; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; and (vi) all parties who have requested notice in these chapter 11 cases, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted; and it is further

ORDERED that the Debtors are authorized to take all necessary action to adopt, implement or otherwise take actions consistent with the Derivatives Incentive Plan, including making all payments thereunder; and it is further

ORDERED that the Debtors are authorized to take all necessary action to adopt, implement or otherwise take actions consistent with the modifications to the Retention and Recruitment Program with respect to derivatives employees on the terms and conditions set forth in the Motion, including making all payments thereunder; and it is further

ORDERED that distribution entitlements under the Derivatives Incentive Plan and the modified Retention and Recruitment Program with respect to derivatives employees are entitled to administrative expense status and priority under sections 503(b)(1)(A) and 507(a)(2); and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: October \_\_, 2011  
New York, New York

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UNITED STATES BANKRUPTCY JUDGE